(c) whether Government would introduce credit card scheme for small workers and poor people living in rural area also; and

(d) if so, by when and the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) No such specific instruction has been issued. However, under the Differential Rate of Interest Scheme, the domestic scheduled commercial banks are required to lend 1% of their aggregate advances as at the end of the previous year to eligible borrowers at a rate of interest of 4% per annum. Further, these banks are required to lend 10% of their Net Bank Credit (NBC) to weaker sections, within the overall priority sector lending target.

(c) and (d) Artisan Credit Card (ACC) for artisans, Laghu Udyami Credit Card (LUCC) Scheme for small businessmen/retail traders/artisans etc. and Swarojgar Credit Card (SCC) Scheme for artisans/handloom weavers/self-employed persons, etc. have been introduced earlier by the Government. The Reserve Bank of India has also recently introduced a General Credit Card (GCC) Scheme for rural and semi urban areas. The objective of the Scheme is to provide hassle-free credit upto Rs. 25000/- to eligible borrowers, especially women.

Lending to SSI Sector

*223. SHRI MOOLCHAND MEENA:
SHRI SANTOSH BAGRODIA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that priority sector lending is a profitable business for the banks in terms of returns on the credit and interest subsidies to the Banks;

(b) if so, whether it is also a fact that the credit to the priority SSI sector has not risen with the same rate as that of the net bank credit of the Nationalised Banks despite this sector offering good business opportunity; and

(c) what steps are being taken to encourage the banks to lend to the SSI sector at a commensurate annual rate of growth in NBC?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Banks do earn profits on their lending to the priority sector.

(b) The data showing growth in Net Bank Credit and advances to SSI sector by Public Sector Banks is given below:

(Rupees in crore)

Year	March 2003	March 2004	March 2005
Net Bank Credit	477899	558849	717304
% of growth over the previous year	20.40	16.94	28.35
Advances to SSI sector	52988	58278	67634
% of growth over the previous year	6.53	9.99	16.05

(c) A "Policy Package on Stepping up credit to SME sector" has been announced in the Parliament on August 10, 2005 which *inter-alia* enjoins upon Public Sector Banks to achieve a **minimum** 20% year on year growth in credit to Small and Medium Enterprises (SMEs). The objective is to **double** the flow of credit to the sector by 2009-10, which would cater adequately to the credit needs of SME sector.

Credit Guarantee fund trust for Small Industries Scheme

*224. SHRI SANTOSH BAGRODIA:
SHRI HARISH RAWAT:

Will the Minister of FINANCE be pleased to state:

(a) the number of banks which have so far joined the Credit Guarantee Fund Trust for Small Industries (CGTSI) scheme;

(b) whether the private and foreign banks can also join the scheme;

(c) if so, the number of private and foreign banks who have so far joined the CGTSI scheme; and

(d) what steps are being taken to encourage banks particularly the Non-Nationalised banks to join the scheme?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) As on February 23, 2006, 51 Banks and 3 Financial Institutions have joined the Credit Guarantee Fund Scheme for Small Industries (CGTSI) as Member Lending Institutions (MLIs).

(b) and (c) Yes, Sir. As per the Scheme, Commercial Banks, including Private and Foreign Banks, can join the Scheme. So far, 11 Private Banks have joined the CGTSI Scheme as MLIs. However, no Foreign Bank has joined the CGTSI Scheme so far.

(d) Government has announced an increase in the corpus of the scheme to Rs. 2500 crore. Government has advised CGTSI to reduce the one